

The MSRB's Role in Municipal Market Fairness and Transparency

California Municipal Treasurers Association
Annual Meeting, April 2011



MSRB

Municipal Securities
Rulemaking Board

About the MSRB

- Created by Congress in 1975
- Self-regulatory organization for municipal securities dealers and municipal advisors
 - no rulemaking authority over issuers
- Congressionally mandated mission:
 - protect investors, municipal entities and the public interest
 - promote fair and efficient municipal bond market
- MSRB does this through rulemaking, market information, education, outreach and market leadership

Increased Focus on the Municipal Market in Washington



- Congress enacted financial reform legislation, and is holding hearings on state and local government finances, unfunded pension liabilities and state bankruptcy
- The Obama Administration is focused on infrastructure financing
- Securities and Exchange Commission has stepped up its oversight, holding field hearings and creating a Municipal Securities and Public Pensions Enforcement Unit
 - In 2010, the SEC took action against a state for the first time, alleging the State of New Jersey did not fully disclose its pension liabilities to investors
 - SEC is investigating other pension fund cases

Dodd-Frank Wall Street Reform and Consumer Protection Act



- Most significant legislative focus on municipal market issues since 1986
- Became effective October 1, 2010
- Expanded MSRB mission to protect municipal entities and obligated persons, in addition to investors and the public interest
- Expanded MSRB's jurisdiction to regulate municipal advisors, in addition to municipal securities dealers
 - Brings another participant in municipal transactions under regulation

What Does Protection of Municipal Entities Mean?



- Dodd-Frank Act expanded MSRB's mission to protect:
 - Municipal entities, including state and local government issuers and public pension funds; and
 - Obligated persons, such as universities and hospitals
- The MSRB is doing this by:
 - Promoting a fair and efficient market
 - Minimizing conflicts of interests
 - Providing access to key market disclosure and data

What is a Municipal Advisor?

- Dodd-Frank defines municipal advisor broadly
- Definition includes advisors in municipal securities transactions AND municipal financial product advisors (covering derivatives, guaranteed investment contracts, and investment strategies)
- Examples:
 - Suggesting a swap transaction for a local government
 - Providing advice on investment of bond proceeds

What Does a Fair Market Mean ?

- Fair treatment by dealers and advisors
 - MSRB requires fair treatment of state and local government issuers, public pension funds, obligated persons and investors
- Uniform Standards
 - MSRB sets uniform reporting and disclosure standards
- Professional Competency
 - MSRB establishes professional qualifications standards and exams

What Does a Fair Market Mean ?

- Conflicts of interest minimized
 - MSRB requires dealers to put customer orders before their own
 - MSRB limits dealer political contributions to restrict “pay-to-play” activities
 - MSRB limits dealer gifts to issuer officials
- Fiduciary duty
 - Municipal advisors have a fiduciary relationship with their municipal entity clients

What Does a Fair Market Mean ?

- Readily accessible market information
 - MSRB supports complete and timely disclosure
 - Issuers can use disclosures to communicate important information about their bonds to investors
 - MSRB makes disclosure easy and accessible
 - MSRB publicly disseminates, for free, hundreds of thousands of market disclosure documents and information on millions of municipal trades
 - Differences in the quality and timeliness of disclosures is easily visible to the public

Information About Your Dealer or Advisor



- Active municipal securities dealers and municipal advisors must be registered with the MSRB and are subject to MSRB regulation
- State and local governments can check to see if their dealers and advisors are registered with the MSRB by checking the MSRB's lists below
 - Registered Dealer List
 - <http://www.msrb.org/msrb1/pqweb/registrants.asp>
 - Registered Advisor List
 - <http://www.msrb.org/msrb1/pqweb/MARegistrants.asp>

MSRB Promotes Market Transparency Through EMMA



- Prior to the MSRB's launching of its Electronic Municipal Market Access (EMMA) website in 2008, municipal market disclosure and data was difficult to locate
- EMMA, at www.emma.msrb.org, is a centralized collection of municipal disclosure documents and trade data that provides access to key market information free of charge
- In 2010, EMMA received an average of 19 million page views per month

The screenshot displays the EMMA website interface. At the top, the MSRB logo and the title "EMMA - Electronic Municipal Market Access" are visible. Below the title, there is a navigation menu with tabs for "About EMMA", "Muni Search", "Market Activity", "Education Center", and "EMMA Dataport". A search bar is located on the right side of the header. The main content area is divided into several sections: "Muni Search" with a search input field and "Advanced Search" link; "Welcome to EMMA" with a brief description of the platform; "New Developments" with a link to "MSRB Creates Instructional Video About EMMA"; "EMMA EDUCATION CENTER" with a list of resources; "MARKET ACTIVITY" with a list of market-related information; and "DOCUMENT SUBMISSION" with a list of submission options. The footer contains copyright information and links to "Home", "Privacy Policy", "Terms of Use", and "MSRB System Status".

MSRB Promotes Market Transparency Through EMMA (cont'd.)



- Information Available on EMMA:
 - **Official Statements** – current & historical from 1990
 - **Advance Refunding Documents** – current & historical from 1990
 - **Trade Data** – real-time & historical from 2005
 - **Continuing Disclosure Documents** – from 2009
 - **Market Statistics**
 - **Variable Rate Security Rates** – for ARS and VRDOs
 - **Educational Resources**

EMMA Highlights – Official Statements



EMMA - Electronic Municipal Market Access
The Official Source for Municipal Disclosures and Market Data

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Muni Search

Enter CUSIP or Name

Advanced Search | Search Help

Home > Muni Search > Search Results > Issuer Details > Issue Details

Issue Details



ALEXANDRIA VA TAXABLE-SER B (VA)*

Dated Date: 07/23/2008
Closing Date: 07/23/2008

Maturities and issue-related documents

View all maturities of an issue and download the official statement and other documents available from EMMA for this issue. Click on the CUSIP number for security specific data, including trade price

Displaying 12 maturities. | [Return to Search Results](#) | [See other Issues by this Issuer](#)

CUSIP *	Maturity Date	Interest Rate (%)	Principal Amount At Issuance (\$)	Initial Offering Price (%)	Security Description *
015302C59	07/15/2009	5	250,000	101.67	TAXABLE-SER B
015302C67	07/15/2010	4.5	250,000	101.99	TAXABLE-SER B
015302C75	07/15/2011	4.5	250,000	101.896	TAXABLE-SER B
015302C83	07/15/2012	4.5	250,000	101.637	TAXABLE-SER B
015302C91	07/15/2013	4.625	250,000	101.666	TAXABLE-SER B
015302D25	07/15/2014	4.625	250,000	100.648	TAXABLE-SER B
015302D33	07/15/2015	4.8	250,000	100.884	TAXABLE-SER B
015302D41	07/15/2016	5	250,000	100.521	TAXABLE-SER B
015302D58	07/15/2017	5.25	250,000	100.71	TAXABLE-SER B
015302D66	07/15/2018	5.25	250,000	100	TAXABLE-SER B
015302D74	07/15/2023	5.4	1,250,000	100	TAXABLE-SER B
015302D82	07/15/2028	5.6	1,250,000	100	TAXABLE-SER B

[Official Statement](#) | [Continuing Disclosure](#)

View the official statement, which is the most complete information about the securities as of the initial issue date

Official Statement

Preview Cover

Official statement files are large and can take several minutes to download, depending on your connection speed. Preview the cover, if available, before downloading to ensure that it is the correct document.

Official Statement posted 07/16/2008 (1.3 MB)

[View Document](#)

NEW ISSUE
Book-Entry-Only

Ratings: Moody's - **Aaa**
Standard & Poor's - **AAA**
(See "Ratings" herein.)

In the opinion of McGuireWoods LLP, Richmond, Virginia, Bond Counsel, under existing law and subject to conditions described in the section herein "Tax Matters," interest on the Series 2008A Bonds (1) will not be included in gross income for federal income tax purposes, and (2) will not be a specific item of tax preference for purposes of the federal alternative minimum income tax imposed on individuals and corporations. Such interest may be included in the calculation of a corporation's alternative minimum income tax, and will be subject to other federal tax consequences as described in the section herein "Tax Matters." BOND COUNSEL IS NOT RENDERING ANY OPINION WITH RESPECT TO THE TREATMENT OF INTEREST ON THE TAXABLE SERIES 2008B BONDS FOR PURPOSES OF FEDERAL INCOME TAXATION, AND SUCH INTEREST IS EXPECTED TO BE INCLUDED IN GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION. Interest on the Series 2008A and the Taxable Series 2008B Bonds will be exempt from income taxation by the Commonwealth of Virginia.

\$63,000,000
City of Alexandria, Virginia
General Obligation Bonds
Consisting of

\$58,000,000
City of Alexandria, Virginia
General Obligation Bonds (Tax-Exempt)
Series 2008A
and
\$5,000,000
City of Alexandria, Virginia
General Obligation Bonds (Taxable)
Series 2008B

Dated: Date of Delivery
Due: July 15, as shown below

Interest Payable: July 15 and January 15
First Interest Payment: January 15, 2009

The General Obligation Bonds (the "Bonds") will constitute general obligations of the City of Alexandria, Virginia (the "City") for the payment of which the full faith and credit and unimpaired taxing power of the City will be irrevocably pledged. The City Council will be authorized and required, unless other funds are lawfully available and appropriated for timely payment of the Bonds, to levy and collect annually on all locally taxable property in the City an ad valorem tax over and above all other taxes authorized or limited by law and without limitation as to rate or amount, sufficient to pay principal of and interest on the Bonds as the same respectively become due and payable.

The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (DTC), which will act as securities depository of the Bonds. So long as Cede & Co. is registered owner of the Bonds, as the nominee for DTC, (a) reference herein to the Broadholder or registered owner shall mean Cede & Co. and (b) principal and interest shall be payable to Cede & Co. as nominee for DTC, which will, in turn, remit such principal and interest to the DTC participants for subsequent delivery to the beneficial owners of the Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof. Bond certificates will be manufactured at DTC and not available for delivery to the public (See "Description of the Bonds-Book-Entry-Only System"). The Bonds will bear interest from their date of issue, payable semi-annually on July 15 and January 15, commencing January 15, 2009.

The Bonds maturing on or after July 15, 2016, are subject to optional redemption before maturity on or after July 15, 2018, at the direction of the City, in whole or in part installments of \$5,000 at any time or from time to time at plus the interest accrued on the principal amount to be redeemed to the date fixed for redemption.

The Bonds are offered for delivery when, and as if issued, subject to the approval of validity by McGuireWoods LLP, Richmond, Virginia, Bond Counsel, as described herein. Certain legal matters will be passed upon for the City by the City Attorney, Ignacio B. Perera, Esquire. It is expected that the Bonds will be available for delivery through The Depository Trust Company as New York, New York, on or about July 23, 2008.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

This Official Statement is dated July 9, 2008

EMMA Highlights – Continuing Disclosures



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Muni Search

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Home > Muni Search > Search Results > Issuer Details > Issue Details

Issue Details

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Displaying 12 maturities. |

Return to Search Results | See other Issues by this Issuer

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015302D82	07/15/2028	5.6	1,250,000	100	TAXABLE-SER B

Official Statement | **Continuing Disclosure**

View continuing disclosure or advance refunding documents which provides important information about the security issuance.

Financial/Operating Filing

Audited Financial Statements or CAFR

- Comprehensive Annual Financial Report for the year ended 06/30/2010 posted 12/02/2010 (1.4 MB)
- Financial Operating Filing for the year ended 06/30/2009 posted 11/19/2009 (1.8 MB)

Material Event Notices

No advanced refunding documents available.

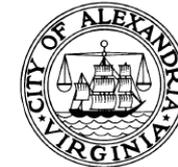
View Documents

Links to former IRMSIRS

For continuing disclosure documents produced prior to 2009, please contact one of the following organizations:

- Bloomberg Municipal Repository
- DPC Data
- Interactive Data Pricing and Reference Data
- Standard & Poor's

CITY OF ALEXANDRIA, VIRGINIA COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR JULY 1, 2009 TO JUNE 30, 2010



Alexandria City Council
William D. Euille, Mayor
Kerry Donley, Vice-Mayor
Redella S. Pepper
Rob Krupicka
Paul C. Smedberg
Frank H. Fannon IV
Alicia R. Hughes

City Manager..... James K. Hartmann
Chief Financial Officer..... Bruce Johnson
Director of Finance..... Laura B. Triggs, CPA
Director of Real Estate Assessments..... Cindy Smith-Page
City Attorney..... James L. Banks
City Clerk and Clerk of Council..... Jacqueline Henderson
Independent Auditors..... KPMG LLP

Prepared by the Department of Finance
Raymond J. Welch, Jr. Comptroller

alexandriava.gov

EMMA Highlights – Trading Activity



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Market Activity

EMMA's market activity pages provide a window for viewing market-wide information about municipal securities. Click on the tabs below to view recent trade data, official statements, continuing disclosures, advance refunding documents, daily market statistics, and recent data on auction rate securities (ARS) and variable rate demand obligations (VRDO).

Market-Wide Trading Activity
Click a CUSIP number below to view trades in a security.
Read about trade data, including limitations and considerations.

Learn More

Recent Trades

Official Statements

Continuing Disclosure

Refunding Information

Market Statistics

ARS Data

VRDO Data

View 25 trades based on most recent time of trade

Activity as of: 02/22/2011 @ 5:05 PM ET

Refresh

Search...

Trade Date/Time	CUSIP *	Security Description *	Maturity Date	Interest Rate (%)	Price (%)	Yield (%)	Trade Amt (\$)	Trade Type
02/22/2011 : 05:05 PM	7023334C6	PASADENA TEX INDPT SCH DIST REF (06/15/2008)	02/15/2015	5	111.44	1.99	35,000	Customer sold
02/22/2011 : 05:05 PM	79765AR24	SAN FRANCISCO CALIF CITY & REF-AMT-SECOND SER-34C (03/27/2008)	05/01/2013	4	103.8140	2.2	20,000	Customer bought
02/22/2011 : 05:05 PM	57586C7R0	MASSACHUSETTS ST HEALTH & EDL BOSTON MED CTR-SER B (07/01/2008)	07/01/2028	5	83.7340	6.586	100,000	Customer sold
02/22/2011 : 05:04 PM	512624HX8	LAKEWOOD OHIO CITY SCH DIST LIBR IMPT (12/01/2003)	12/01/2018	5	106.5590	2.529	100,000	Customer sold
02/22/2011 : 05:04 PM	512624HX8	LAKEWOOD OHIO CITY SCH DIST LIBR IMPT (12/01/2003)	12/01/2018	5	107.0590		100,000	Inter-dealer Trade
02/22/2011 : 05:04 PM	873545FX0	TACOMA WASH SWR REV REF (06/29/2006)	12/01/2036	5.125	99.6370	5.15	10,000	Customer bought
02/22/2011 : 05:04 PM	272210DK3	EASTERN WASHINGTON UNIV WASH REF-SVCS & ACTIVITIES FEE (10/11/2006)	10/01/2037	5	93.7310	5.448	5,000	Customer bought
02/22/2011 : 05:04 PM	13053BJB9	CALIFORNIA ST TAXABLE (12/01/2010)	11/01/2030	7.7	106.4370	6.78	70,000	Customer bought
02/22/2011 : 05:04 PM	155742CS6	CENTRAL VALLEY SCH DIST FING CAP APPREC-SCH DIST G O REF-A (09/24/1998)	08/01/2017	0	86.6290	6.412	40,000	Customer sold
02/22/2011 : 05:04 PM	130685G46	CALIFORNIA ST PUB WKS BRD TAXABLE-UNIV CALIF-D-HELLOS (04/21/2010)	03/01/2035	7.004	102.5070	6.63	25,000	Customer bought
02/22/2011 : 05:04 PM	167592WL4	CHICAGO ILL O HARE INTL ARPT REF-GEN ARPT THIRD LIEN-SER A (03/01/2002)	01/01/2032	5.375	90.78	6.165	25,000	Customer bought

Trade Search

Search for any trading day since January 2005. Trade searches may be for a single day or span multiple days.
Single Day: To search on a single trade date, set From and To to the same day or leave the To field blank.
Multi-day: Enter a date range to search across multiple trade dates. These dates may not span more than 30 days, and you must provide at least one other search criteria.

Trade Date * * is required field.

State

Trade Type

Special Condition

Trade Amount ^[?] From To

Maturity Date From To

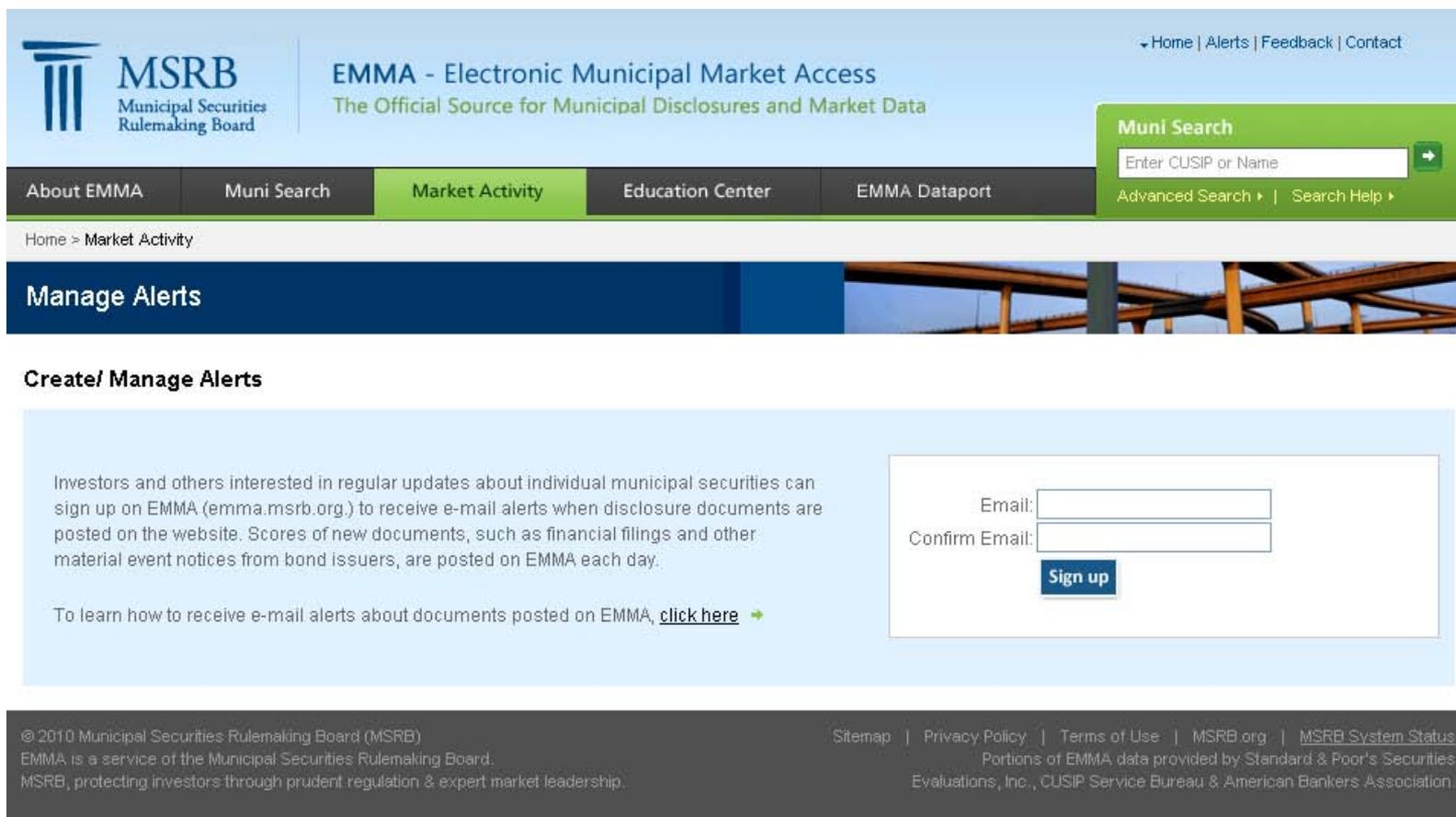
Interest / Coupon Rate ^[?] % From % To %

Price % From % To %

Yield % From % To %

(Note that higher yield often indicates greater investment risk. Also, yield is not available for all trades - a search based on yield may provide incomplete results.)

EMMA Highlights – Sign up for Alerts



The screenshot shows the EMMA website interface. At the top left is the MSRB logo and name. To the right is the site title 'EMMA - Electronic Municipal Market Access' and subtitle 'The Official Source for Municipal Disclosures and Market Data'. A navigation menu includes 'About EMMA', 'Muni Search', 'Market Activity' (highlighted), 'Education Center', and 'EMMA Dataport'. A search box labeled 'Muni Search' is on the right. Below the menu is a breadcrumb trail 'Home > Market Activity'. The main content area is titled 'Manage Alerts' and contains a 'Create/ Manage Alerts' section. This section includes a paragraph explaining that investors can sign up for email alerts, followed by a sign-up form with 'Email:' and 'Confirm Email:' fields and a 'Sign up' button. A link 'click here' is provided for more information. The footer contains copyright information for MSRB and links to Sitemap, Privacy Policy, Terms of Use, MSRB.org, and MSRB System Status. It also notes that portions of EMMA data are provided by Standard & Poor's Securities Evaluations, Inc., CUSIP Service Bureau & American Bankers Association.

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Home > Market Activity

Manage Alerts

Create/ Manage Alerts

Investors and others interested in regular updates about individual municipal securities can sign up on EMMA (emma.msrb.org) to receive e-mail alerts when disclosure documents are posted on the website. Scores of new documents, such as financial filings and other material event notices from bond issuers, are posted on EMMA each day.

To learn how to receive e-mail alerts about documents posted on EMMA, [click here](#) →

Email:

Confirm Email:

Sign up

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EMMA is a service of the Municipal Securities Rulemaking Board.
MSRB, protecting investors through prudent regulation & expert market leadership.

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EMMA Highlights – Market Statistics



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Market Activity

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Market Statistics
View daily market transaction trends by trade type, trade size, sector, maturity, source of repayment and most active securities.
[Learn More](#)

[Recent Trades](#)

[Official Statements](#)

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[Refunding Information](#)

[Market Statistics](#)

[ARS Data](#)

[VRDO Data](#)

View Statistical Data : [Trade Summary & Charts](#) | [Most Active Securities](#)

Trade Date Range: to

Trade Date Range: **Monday, January 10 - Friday, February 18, 2011** [Previous Day](#) | [Next Day](#)

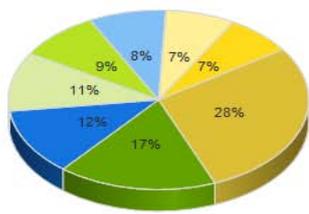
Select Trade Characteristics

- [Trade Type Summary](#)
- [Trade Size](#)
- [Sector](#)
- [Maturity](#)
- [Source of Repayment](#)
- [Coupon Type](#)

Annual Trade Data
The MSRB Fact Book provides comprehensive and historical statistics on trading patterns in the municipal market.

- [MSRB 2009 Fact Book](#)
- [MSRB 2008 Fact Book](#)

Par Amount Traded for Most Active Sectors ?
Total Par: \$373,183 Million



Sector	Percentage
Education	17%
Health	11%
Utility	12%
Various Purpose	9%
Transportation	8%
Tax-Revenue	7%
Authority	7%
Other	28%

EMMA Highlights – Education Center



Upcoming EMMA Enhancements

- **Spring 2011** – Issuers can provide for posting on EMMA voluntarily information about the timing and preparation of annual financial disclosures
- **Spring 2011** – Issuers can provide voluntarily for posting on EMMA preliminary official statements and website address of investor relations site

Questions?

The MSRB's Role in Municipal Market Fairness and Transparency

California Municipal Treasurers Association
April 2011



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